(d) Government has taken a number of steps to facilitate export of cotton textiles. Technology Mission on Cotton, Technology Upgradation Fund Scheme, Apparel Parks for Export and Textile Centre Infrastructure Development Scheme are a few of the such steps.

Efforts of Indian textile exporters to move up the value chain

3709. SHRI TARIQ ANWAR: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that Indian Textile exporters are planning to move up the value chain and are trying to grab a piece of the high margin branded segment in the home textiles;

(b) if so, the details thereof;

(c) whether Indian exporters are expected to face stiff competition from Chinese exporters; and

(d) if so, the steps taken in this regard?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) Yes, Sir. Various recent studies have recognized that the home textiles, apart from ready-made garments, would drive the future growth of Indian textile exports. The global market size of home textiles, mainly comprising of bed sheets and terry towels, is large in which India is one of the leading supplier country. In order to meet the increasing opportunities, Indian exporters have planned to invest huge amount for producing and processing wider width fabrics and increase the production capacities in the next three years.

(c) Yes, Sir. Indian textile exporters are facing stiff competition from other low cost suppliers like China, Bangladesh, etc.

(d) Government has been taking a number of steps from time to time to strengthen domestic textile industry for meeting the growing global competition. Some of the important initiatives taken are:

(i) 100% Foreign Direct Investment is allowed in the textile sector under the automatic route.

(ii) The Government has de-reserved the readymade garments, hosiery and knitwear from the SSI sector.

(iii) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of the sector.

(iv) To improve the productivity and quality of cotton, Government has launched Technology Mission on Cotton (TMC). The mission comprises four mini-missions, which are being jointly implemented by the Ministry of Agriculture and Ministry of Textiles. One of the important ingredients of the Mission is to improve cotton processing facilities by upgrading/modernizing the existing ginning and pressing facilities and setting up of new market yards/improvement of existing market yards.

(v) The Government has launched a Centrally sponsored scheme titled "Apparel Park for Export Scheme" for imparting focused thrust for setting up of apparel manufacturing units of international standards at potential growth centres to give fillip to exports.

(vi) For upgrading infrastructure facilities at important textile centres, a scheme titled "Textile Centre Infrastructure Development Scheme" (TCIDS) has been launched.

(vii) The fiscal duty structure has been generally rationalised to achieve growth and maximum value addition within the country. Except for mandatory excise duty on man-made filament yarns and man-made staple fibres, the whole value addition chain has been given excise exemption option.

(viii) The imports of specified textiles and garment machinery items has been allowed at concessional rate of customs duty to encourage investments and to make our textile products competitive in the global market. The cost of machinery has also been reduced through fiscal policy measures.

(ix) Duty-free imports of 21 items of trimmings and embellishment items are allowed to the garment exporters, upto 3% of their actual export performance during the previous year.

(x) National Institute for Fashion Technology (NIFT), its seven branches and Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.

(xi) Facilities by way of eco-testing laboratories have been created to enable exporters to get the garments/textiles pre-tested for conforming to the requirements of importing countries.